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Risk Matters

***A Publication Dedicated to Risk Management
In Montana State Government***

Department of Administration, January 1, 2000, Volume 9, No. 3

WAKE UP!!

Fighting Fatigue in the Workplace

At 4:00 a.m. on a frigid February morning, state employee Thurman rolled out of bed, got into his snowplow, and drove down Highway 2 in eastern Montana. As is often the case with snowplow drivers, winter days begin early and end late.

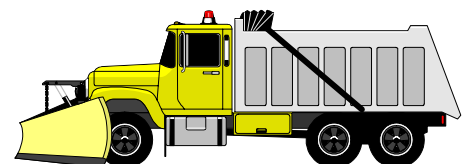
Driving winds buffeted his vehicle and heavy, wet snow pelted his windshield, sticking to the highway and making the driving surface treacherous and unpredictable.

The weather had been like this for days and the forecast was for continued, heavy accumulations of snow, coupled with black ice and high winds. Thurman knows that many

lives depend on how effectively he performs his job this day.

A veteran of 17 years with the Department of Transportation, Thurman takes his job seriously. Having worked until late the previous evening, he is fatigued and is having a hard time staying awake.

At about 6:00 p.m., Thurman's eyes droop, his head slumps down on his chest, and he loses control of his vehicle.



Sleep Deprivation . . . *The Silent Killer!*

According to a witness, Thurman's vehicle ran off the road, flipped several times, and struck a telephone pole. Thurman, 40 years old at the time of the accident, sustained serious injuries. "He is in a coma for almost a week and suffers from permanent brain damage and is unable to work," says an attorney who now represents him.

Though this case is fictitious, could it happen to you? Of course! Have you had the experience of driving while you are asleep and suddenly realizing that you are 45 miles closer to your destination than when you last checked the signs and you don't remember where you've been the past 45 miles!

According to Dr. William Dement, the nation's leading sleep researcher, a Professor at Stanford University, and chair of the National Commission on Sleep Disorders research, it is possible for humans to stay up for extended periods of time as long as they are involved in something challenging and engaging. However, once a person shifts to a routine or boring task, sleep can come on with the force and suddenness of a seizure.

Driving, for example, can produce that hypnotic effect". Dement explains that when you push a person beyond a certain point without sleep, that person's ability to self-assess is severely impaired." In other words, they are simply too tired to realize that they are unable to drive safely.

**A New
Science!**

The problem of drowsy employees is becoming an epidemic and Montanans are not immune!

Recent studies suggest that 47 percent of employees nationally experienced episodes of serious fatigue at work within the previous three months. Of those, 31 percent admitted that sleep affected their work, and 29 percent said that they did not feel rested when they woke before going to work.

Did you know that when Edison invented the light bulb in 1879, people slept an average of 10 hours a night. Today, the average is 6.8 hours and fully one third of the adult population try to survive on six or less. Given the role of sleep in determining daytime functioning, the current extent of sleep deprivation in our society is alarming.

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Services to State Agencies

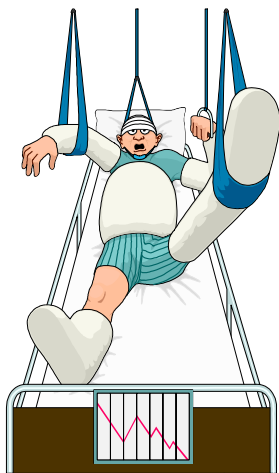
Insurance for: Property, liability, employee dishonesty, vehicle, aircraft, other risks.

Legal Defense/Claims for: Liability, property, other claims.

Loss Control: Consulting for all of the above.

Exposure

When state employees are fatigued, for whatever reason, its agencies or employees can be exposed to personal injury or property damage claims in many ways. First, there is the increased potential for accidents that can cause injuries or loss of life to employees, as well as destruction of equipment or facilities.



Another serious and common exposure involves drowsy drivers having accidents on the job. It is estimated that employers nationally spent \$13.5 billion last year on fatigue-related illness and accidents. **DON'T BECOME A CASUALTY!**

Loss Prevention Strategies

Here are four recommendations for reducing your exposures to employee fatigue-related problems

- ✓ **Conduct An Assessment** – The first step is to look at past loss experiences in workers' compensation, health, auto/fleet, property, and other related claims. You may find that fatigue was often a factor.
- ✓ **Manage Overtime** – Cut overtime as much as possible. "If you find that you don't have enough people to 'pull the wagon,' find a way to hire more. Another option is to hire a temporary agency.

- ✓ **Pay Attention to Shiftwork Employees** – Schedule shiftwork to be as sleep-friendly as possible. For example, shifts that work in reverse (one week on nights, the next week on evenings, the next week on days, etc.) wreak havoc on employee sleep patterns.

Recently, the state personnel division put together guidelines on telecommuting and working a 4/40 (4 days, 10 hours per day) work week. There has been a trend away from eight-hour days to ten or twelve-hour schedules. Employees work longer days, but fewer days are more satisfied, not to mention more rested.

- ✓ **Provide Health and Wellness Education** – Especially to shift workers. This education should include tips on how to implement healthy lifestyles; proper diet, exercise, and sleep habits.



If you are at work and you do become drowsy, consider getting a drink of water, rolling down the window on your vehicle, turning on the cold air, drinking coffee, taking a nap where feasible, pulling your vehicle over, exercising, or performing other tasks that are not mundane or repetitive, and force you to be awake.



Water Burst!

Flood Loss At Pine Hills School!

Our appreciation to Mike McNamee, Adjuster, Crawford & Company, for submitting this article.

On September 21, 1999, a 10" water line at Pine Hills School (Miles City) burst knocking out phone lines and fire alarms and filling the basement of the Administration building with a coat of mud and debris.

Immediately upon notification of the claim, the Risk Management and Tort Defense Division retained the services of Crawford & Company Adjusters primarily because they had experience in handling water losses where legal papers and valuable items were at issue.

The collective goal was to mitigate damages through an immediate, comprehensive, and coordinated response.

Even after pumping the basement, staff noticed that there was standing water in the low spots and mud several inches deep.

Here is what We faced!

The basements were wet and smelly. Mold was beginning to grow and the odor was making it hard on the employees and residents who had to be on site.

There was an obvious need to clean up and dry the building and contents. It was too large a problem for the Pine Hills Staff to handle.

But Pine Hills School Risk Managers See the Big Picture . . .

Restorx of Montana from Sydney, MT was brought in after consultation with the state's commercial insurance carrier and the Risk Management & Tort Defense Division. Their job was to clean and dry with a priority on keeping Pine Hills in operation. Pine Hills staff were especially concerned about the mold problem and the health threat that it posed. Temporary accommodations for the residents of Pine Hills School were not available.

Unfortunately, the institution's kitchen is in the building with the most damage. To the staff's credit, they were able to operate throughout the clean up without compromising health or safety. Storage vaults in the basement house the official records of the Youthful Offenders and with assistance of legal staff from the Department of Corrections, we determined that these records needed to be kept permanently and they were preserved in a safe dry place.

Lessons Learned

From this experience, we learned a lot about how to save wet files. Should you have a similar experience, consider the following tips:

- 1) If your irreplaceable records get wet, **keep them wet**. Seriously! Leave them in the file cabinets and freeze them, cabinet and all, if possible.
- 2) Freezing stops deterioration. Mold and mildew will not set in. In this claim, a truck refrigerator trailer was rented to freeze the records.
- 3) Once freezing has occurred, a catastrophe restoration vendor can then freeze dry the documents until all moisture is drawn out.
- 4) The key to cleaning up these types of claims is to hire the right vendor and to kill the source of odor (typically microbes that are activated by water). That's where your adjuster comes in!

Restorx used a form of iodine to kill bacteria. An enzyme, an actual living organism, was used to stop the odor. The enzyme consumes the odor which creates organic material. The advantage of this process is that it does not involve individual record handling.

Since no one physically handles wet or odorous paper there is little risk of tearing documents. Finally, the confidentiality and chain of custody are maintained. Since individual files are not handled, the files don't get out of order.

The results in the Pine Hills flood claim were remarkably good. Most documents were recovered. It takes only a short time and it is cost effective for hard to replace paper files.

What do they say at Pine Hills?

Mike Smith at Pine Hills was asked what worked and what he learned.

“Next time I would call for help earlier.” He said. “We had an emergency plan. We followed it. In that initial time with no phones and no electricity we did well.”

“After the initial response,” he said, “we were getting into areas we did not know. Risk Management brought in an independent claims adjuster and the cleaners. They did great. They knew their business. Things would have been much worse if they had not come in. We just didn’t know all that we were dealing with.”

Listed below are some other loss prevention tips from the staff of Pine Hill School. We congratulate them and Adjusters McNamee and Marjie Carpenter and staff from Pine Hills School for masterfully handling this claim.

Loss Prevention Tips

Shut off the water

The first problem was to find the source of the water. It was not easy, but the Miles City Water Department helped. They also helped isolate the pipe break so that water could be turned back on to supply the various buildings.

Telephones

Since the phones were out of order, staff used hand held radios and a cell phone for several days.

Electricity Out?

Don’t rush down into a flooded basement. People get electrocuted. Get it shut off and get a qualified person to turn it back on.

Stay out of the mess — Keep people out who don’t need to be there. It also keeps them from tracking the mud into the building. The janitor will thank you. Pine Hills used blood born pathogen protection. We later found that there was some possible sewage in the water.

Insurance Coverage — Pine Hills School staff worked with the adjusters and insurance carrier, Affiliated FM. School staff are happy with the handling to date.

Coverage Questions — The property policy with Affiliated FM has a limit of coverage on *Valuable Papers and Records* that is much less than the actual cost we incurred. We are making a case that the intent of that coverage is to deal with research and replacement of records lost.

TELE-WORKING

The State Personnel Division recently released a draft teleworking guide to assist state agencies to administer their own telecommuting programs.

The purpose of the guide is to introduce Teleworking as an alternative to working in the traditional “office” environment. Teleworking is the practice of working at home or at a site near the home instead of physically traveling to a central workplace.

With the advent of enhanced technology such as the Internet and e-mail, many jobs can be done at locations other than the office. The guide provides state managers, agencies, and employees with tools to evaluate whether teleworking is appropriate for their agency.

Tele-Risks

Like any job, teleworking is not without its risks. The employee that falls on an object in his/her home is probably covered by workers’ compensation insurance since it is ‘no fault.’ State employees are advised to contact the State Compensation Insurance Fund if they have any questions.

Employees should be informed of the risks associated with teleworking in their own homes. The teleworking guide contains guidelines for how state employees can effectively identify and prevent personal injuries to themselves or guests.

The most prevalent tele-risks typically are premises liability and cumulative trauma disorders. If your agency has employees that telecommute, please contact Lance Zanto at the Risk Management & Tort Defense Division for a free assessment of your telecommuting sites.

Youth Challenge Program

Recently, staff of the Risk Management & Tort Defense Division were invited to participate in a 'risk assessment' at the Youth Challenge Program in Dillon, Montana. This program was developed in response to a federal initiative which provided funding for states to develop alternative programs for 'youth at risk' to assist them to become productive members of society.

The Youth Challenge Program was undertaken by the Department of Military Affairs, with enabling legislation and gubernatorial support. Approximately 43 people were hired to staff the program which consists of classroom instruction, coupled with real life community experiences, in a military setting.

According to staff, participants arise early, put on their fatigues, and after a rigorous regimen of exercise and breakfast began class work. It is exactly the kind of structure and discipline that some youth need. Youth Challenge is also fun! Participants learn to work together, get along, participate in sports, and learn from many other experiences that are part of the curriculum. The program's home base is at Western Montana College dorms in Dillon with excellent accommodations and decent food !

The environment was pleasant, the accommodations outstanding, and we discovered that the program was well equipped and staffed with many important risk management processes already in place ranging from appropriate supervision to engineering/security control devices.

We also discovered a few hidden exposures that the Department of Military Affairs has been quick to address. We thank Major Jim Moran and Chief of Staff Mike McCabe for their congeniality and assistance in coordinating a visit and we congratulate the staff at Montana Youth Challenge on a well run program.

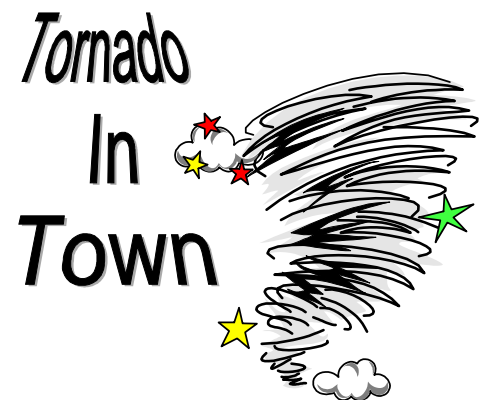
As you can imagine, when the State takes on a program like this, there are many issues that need to be addressed from a safety and liability standpoint to an administrative one. Although there have been some issues to work out in terms of educating the public about the program in general, Military Affairs has done a great job. The community has accepted this program and the students are doing well.

Insurance Coverage

An employee's own homeowner insurance typically covers property of the state in the care, custody, and control of the employee except for flood and earthquake. Employees are advised to contact their insurance agent if they have any questions.

The state is not responsible for damage to an employee's home that is caused by client visitation. Employees that invite clients to their homes under a telecommuting agreement first shall obtain permission from the agency. The employee may be required to purchase a 'business use endorsement' on their homeowner's coverage.

For questions regarding tele-risks, please contact the Risk Management & Tort Defense Division at (406)444-3687 or (406)444-3486.



Just when we think we've seen it all.....**A TORNADO HITS MONTANA!** Lewistown, Montana's heartland, experienced this catastrophic loss in August.

Numerous state agencies located on the southwestern side of town, were affected by this event. Roofs and vehicles were damaged extensively, and trees were downed.

The Department of Transportation was hardest hit. In addition, to glass being blown (or sucked) out of approximately 30 vehicles on site and trailers blown and bent, gas pumps were demolished, two overhead garage doors were blown out, and the roof on the main shop building was lifted from its foundation and dropped back into place.

A classroom trailer at the Law Enforcement Academy's rifle range was so completely damaged that it was difficult to find evidence that it even existed (picture below):

The roofs at the National Guard Armory and the Mental Health Nursing Care Center were temporarily repaired, and re-roofing projects will be bid in the spring for these two facilities. WIND has been an issue this year. On October 31, winds gusting an average of 70 mph statewide caused damage to state properties in Billings, Bozeman, Havre, and Sidney to name a few.

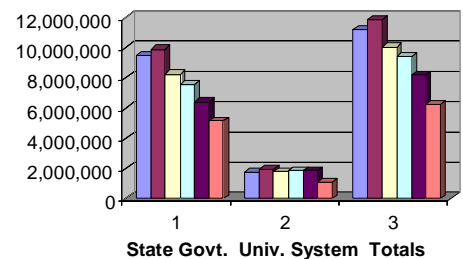
PHHS and RMTD Peg Gov's Safety Award

In a ceremony held at Big Sky in September, the Department of Public Health and Human Services and the Risk Management and Tort Defense Division were recognized by Lieutenant Governor, Judy Martz, for 'excellence in safety.'

The Department of Public Health and Human Services has seen its worker's compensation claims and lost workdays as well as its overall workers' compensation premiums dip by some 40% over the last 5 years. The key to the PHHS success story is its early-return-to-work program and violence at work training.

Overall, state agency worker's compensation premiums and claims have declined from a high of \$10 million in 1995 to approximately \$6 million in 1999 (top of next column). The Risk Management & Tort Defense Division received special recognition for its role in promoting safety and loss control within state government and the university system.

**Workers' Compensation Premiums
for fiscal years 94-99**



Statistics above show significant declines in premium. Other statistics pertinent to trends in lost workdays, # medical only claims, and claims resolved were unavailable from the State Fund at the time this article went to press.

Disruption and Insurance

Suppose that an earthquake measuring 6.0 on the Richter scale suddenly rocked the Helena area, causing gas and water lines to burst, homes and businesses to crumble, and telephone poles to snap like broken matchsticks.

Eventually, properties would be re-built and sources of energy and electricity would be restored, however, businesses and governmental agencies without business interruption insurance coverage would never recover from the lost revenue.

Additionally, they would 'rack up' huge bills for debris clean-up and removal. Finally, their employees would be without income for extended periods of time.

Not so with some state and university properties. Through specialty coverage purchased by the Risk Management & Tort Defense Division, some state agencies and universities are covered for damage to property or loss of income arising from disruption of power, gas, water, and other energy sources 'on and off premises.'

Additionally, coverage is provided for 'ordinary payroll expenses' during the time of the disruption.

Presently, university income producing properties such as athletic venues, bookstores, cafeterias, and dorms are also covered for loss of net income arising from covered causes of loss. Coverage will vary by property as do deductibles and policy limits.

Please call us at (406)444-3687 or (406)444-4509 if you have any questions. Meanwhile, rest assured that an insurance mechanism does exist that minimizes shock losses stemming from catastrophic exposure.

New Incident Report

NEW and IMPROVED!

RMTD's claims staff undertook an extensive review of incident/claim reporting procedures to find ways to streamline and improve the process.

With support of the State Risk Management Advisory Committee and participation from some of its members, claims staff re-engineered the division's incident report form which now provides better information and takes less time to complete.

Claims staff were very busy this fall visiting offices at the Department of Transportation throughout the state, piloting the new form and collecting feedback. Overall, Department of Transportation employees were very positive.

It will take some getting used to, but it will help our staff get the information that we need to more accurately and timely process your property/casualty claims.

A copy of the new form is included in this bulletin. Additional hard copies or e-mail copies are available from Jenny Younkin at ext. 7996.

We extend our appreciation to the claims staff and various state agencies and universities that participated in our review of forms, policies, and procedures.

Agency Safety Briefs!

MDT has spent the last several months conducting Fall Safety Seminars. They are very involved with their statewide safety committees in the development of their new MSDS (Hazardous Materials) program and are looking forward to the winter construction safety seminars.

DPHHS has been conducting violence in the workplace training around the state. They are also busy with their ergonomic assessments and building security issues.

Corrections has mandated that every employee take defensive driving. They are in the process of training employees and are about 90% complete. In the face of some turnover, they have continued to keep their safety program alive and effective.

Agriculture has revised their approach to safety and the development of statewide safety committees is a top priority for them. They are working with their employees to get this accomplished and identifying their high risk areas and will be conducting some additional training this winter.

Revenue has been working on accommodating office ergonomic problems. They have conducted many office evaluations and are continuing to work with their employees on fitting the worker to the work and eliminating the potential for occupational illness.

DNRC has been very aggressive in their effort to identify and evaluate office ergonomic problems. They have had several ergonomic evaluations completed for their employees. They have also been working with us on the training of their employees in defensive driving.

Justice has had employees going through the defensive driving classes as well and they continue to work on the identification of high risk areas and creating alternatives to ensure their employees remain healthy and safe at work.

Military Affairs has been working

on the disaster and emergency services training. They are very busy helping the agencies prepare for potentially disastrous situations. Their assistance to the agencies is invaluable.

Administration has been conducting ergonomic assessments as well as conducting the new employee orientation for all new employees to state government. Their safety committee has been instrumental in providing ice melt to each facility in the capitol complex which will help prevent those continuous slip trip and fall claims that are so prevalent this time of year.

DPHHS has been conducting violence in the workplace training around the state.

Labor has been very busy with the semi annual violence at work training, ergonomic evaluations and building security issues. They hosted their own safety day this year for their employees that was very helpful in getting the safety message out to their employees. They have developed a safety brochure that is sent out to all their employees discussing current issues that they are confronting. This Safety Briefs is a great idea.









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